



Rep. Emily McAsey

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LRB099 03614 RPS 48871 a

1 AMENDMENT TO HOUSE BILL 2743

2 AMENDMENT NO. _____. Amend House Bill 2743 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Employees Group Insurance Act of 1971
5 is amended by changing Section 6.11 as follows:

6 (5 ILCS 375/6.11)

7 Sec. 6.11. Required health benefits; Illinois Insurance
8 Code requirements. The program of health benefits shall provide
9 the post-mastectomy care benefits required to be covered by a
10 policy of accident and health insurance under Section 356t of
11 the Illinois Insurance Code. The program of health benefits
12 shall provide the coverage required under Sections 356g,
13 356g.5, 356g.5-1, 356m, 356u, 356w, 356x, 356z.2, 356z.4,
14 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
15 356z.14, 356z.15, 356z.17, ~~and~~ 356z.22, and 356z.24 of the
16 Illinois Insurance Code. The program of health benefits must

1 comply with Sections 155.22a, 155.37, 355b, 356z.19, 370c, and
2 370c.1 of the Illinois Insurance Code.

3 Rulemaking authority to implement Public Act 95-1045, if
4 any, is conditioned on the rules being adopted in accordance
5 with all provisions of the Illinois Administrative Procedure
6 Act and all rules and procedures of the Joint Committee on
7 Administrative Rules; any purported rule not so adopted, for
8 whatever reason, is unauthorized.

9 (Source: P.A. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
10 99-480, eff. 9-9-15.)

11 Section 10. The Counties Code is amended by changing
12 Section 5-1069.3 as follows:

13 (55 ILCS 5/5-1069.3)

14 Sec. 5-1069.3. Required health benefits. If a county,
15 including a home rule county, is a self-insurer for purposes of
16 providing health insurance coverage for its employees, the
17 coverage shall include coverage for the post-mastectomy care
18 benefits required to be covered by a policy of accident and
19 health insurance under Section 356t and the coverage required
20 under Sections 356g, 356g.5, 356g.5-1, 356u, 356w, 356x,
21 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12, 356z.13,
22 356z.14, 356z.15, ~~and~~ 356z.22, and 356z.24 of the Illinois
23 Insurance Code. The coverage shall comply with Sections
24 155.22a, 355b, 356z.19, and 370c of the Illinois Insurance

1 Code. The requirement that health benefits be covered as
2 provided in this Section is an exclusive power and function of
3 the State and is a denial and limitation under Article VII,
4 Section 6, subsection (h) of the Illinois Constitution. A home
5 rule county to which this Section applies must comply with
6 every provision of this Section.

7 Rulemaking authority to implement Public Act 95-1045, if
8 any, is conditioned on the rules being adopted in accordance
9 with all provisions of the Illinois Administrative Procedure
10 Act and all rules and procedures of the Joint Committee on
11 Administrative Rules; any purported rule not so adopted, for
12 whatever reason, is unauthorized.

13 (Source: P.A. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
14 99-480, eff. 9-9-15.)

15 Section 15. The Illinois Municipal Code is amended by
16 changing Section 10-4-2.3 as follows:

17 (65 ILCS 5/10-4-2.3)

18 Sec. 10-4-2.3. Required health benefits. If a
19 municipality, including a home rule municipality, is a
20 self-insurer for purposes of providing health insurance
21 coverage for its employees, the coverage shall include coverage
22 for the post-mastectomy care benefits required to be covered by
23 a policy of accident and health insurance under Section 356t
24 and the coverage required under Sections 356g, 356g.5,

1 356g.5-1, 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.10,
2 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, ~~and~~ 356z.22, and
3 356z.24 of the Illinois Insurance Code. The coverage shall
4 comply with Sections 155.22a, 355b, 356z.19, and 370c of the
5 Illinois Insurance Code. The requirement that health benefits
6 be covered as provided in this is an exclusive power and
7 function of the State and is a denial and limitation under
8 Article VII, Section 6, subsection (h) of the Illinois
9 Constitution. A home rule municipality to which this Section
10 applies must comply with every provision of this Section.

11 Rulemaking authority to implement Public Act 95-1045, if
12 any, is conditioned on the rules being adopted in accordance
13 with all provisions of the Illinois Administrative Procedure
14 Act and all rules and procedures of the Joint Committee on
15 Administrative Rules; any purported rule not so adopted, for
16 whatever reason, is unauthorized.

17 (Source: P.A. 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15;
18 99-480, eff. 9-9-15.)

19 Section 20. The School Code is amended by changing Section
20 10-22.3f as follows:

21 (105 ILCS 5/10-22.3f)

22 Sec. 10-22.3f. Required health benefits. Insurance
23 protection and benefits for employees shall provide the
24 post-mastectomy care benefits required to be covered by a

1 policy of accident and health insurance under Section 356t and
2 the coverage required under Sections 356g, 356g.5, 356g.5-1,
3 356u, 356w, 356x, 356z.6, 356z.8, 356z.9, 356z.11, 356z.12,
4 356z.13, 356z.14, 356z.15, ~~and 356z.22,~~ and 356z.24 of the
5 Illinois Insurance Code. Insurance policies shall comply with
6 Section 356z.19 of the Illinois Insurance Code. The coverage
7 shall comply with Sections 155.22a and 355b of the Illinois
8 Insurance Code.

9 Rulemaking authority to implement Public Act 95-1045, if
10 any, is conditioned on the rules being adopted in accordance
11 with all provisions of the Illinois Administrative Procedure
12 Act and all rules and procedures of the Joint Committee on
13 Administrative Rules; any purported rule not so adopted, for
14 whatever reason, is unauthorized.

15 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-813,
16 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)

17 Section 25. The Illinois Insurance Code is amended by
18 adding Section 356z.24 as follows:

19 (215 ILCS 5/356z.24 new)

20 Sec. 356z.24. Access to opioid analgesics with
21 abuse-deterrent properties.

22 (a) For purposes of this Section:

23 "Abuse-deterrent opioid analgesic drug product" means a
24 brand or generic opioid analgesic drug product approved by the

1 U.S. Food and Drug Administration with abuse-deterrence
2 labeling claims that indicate the drug product's
3 abuse-deterrent properties are expected to deter or reduce its
4 abuse.

5 "Covered individual" means an individual covered by an
6 individual or group policy of accident and health insurance.

7 "Health insurer" means an entity or company licensed or
8 authorized by the State to sell health insurance policies or
9 that provides health care coverage, including pharmacy benefit
10 managers that administer the pharmacy benefit for an entity or
11 company.

12 "Opioid analgesic drug product" means a drug product that
13 contains an opioid agonist and that is indicated by the U.S.
14 Food and Drug Administration for the treatment of pain, whether
15 in an immediate-release or extended-release formulation and
16 whether or not the drug product contains other drug substances.

17 (b) On or after the effective date of this amendatory Act
18 of the 99th General Assembly, a health insurer that amends,
19 delivers, issues, or renews a group accident and health policy
20 that provides coverage for prescription drugs shall not require
21 that a covered individual first use an opioid analgesic drug
22 product without abuse-deterrence labeling claims before
23 providing coverage for an abuse-deterrent opioid analgesic
24 drug product.

25 Section 30. The Health Maintenance Organization Act is

1 amended by changing Section 5-3 as follows:

2 (215 ILCS 125/5-3) (from Ch. 111 1/2, par. 1411.2)

3 Sec. 5-3. Insurance Code provisions.

4 (a) Health Maintenance Organizations shall be subject to
5 the provisions of Sections 133, 134, 136, 137, 139, 140, 141.1,
6 141.2, 141.3, 143, 143c, 147, 148, 149, 151, 152, 153, 154,
7 154.5, 154.6, 154.7, 154.8, 155.04, 155.22a, 355.2, 355.3,
8 355b, 356g.5-1, 356m, 356v, 356w, 356x, 356y, 356z.2, 356z.4,
9 356z.5, 356z.6, 356z.8, 356z.9, 356z.10, 356z.11, 356z.12,
10 356z.13, 356z.14, 356z.15, 356z.17, 356z.18, 356z.19, 356z.21,
11 356z.22, 356z.24, 364.01, 367.2, 367.2-5, 367i, 368a, 368b,
12 368c, 368d, 368e, 370c, 370c.1, 401, 401.1, 402, 403, 403A,
13 408, 408.2, 409, 412, 444, and 444.1, paragraph (c) of
14 subsection (2) of Section 367, and Articles IIA, VIII 1/2, XII,
15 XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the Illinois
16 Insurance Code.

17 (b) For purposes of the Illinois Insurance Code, except for
18 Sections 444 and 444.1 and Articles XIII and XIII 1/2, Health
19 Maintenance Organizations in the following categories are
20 deemed to be "domestic companies":

21 (1) a corporation authorized under the Dental Service
22 Plan Act or the Voluntary Health Services Plans Act;

23 (2) a corporation organized under the laws of this
24 State; or

25 (3) a corporation organized under the laws of another

1 state, 30% or more of the enrollees of which are residents
2 of this State, except a corporation subject to
3 substantially the same requirements in its state of
4 organization as is a "domestic company" under Article VIII
5 1/2 of the Illinois Insurance Code.

6 (c) In considering the merger, consolidation, or other
7 acquisition of control of a Health Maintenance Organization
8 pursuant to Article VIII 1/2 of the Illinois Insurance Code,

9 (1) the Director shall give primary consideration to
10 the continuation of benefits to enrollees and the financial
11 conditions of the acquired Health Maintenance Organization
12 after the merger, consolidation, or other acquisition of
13 control takes effect;

14 (2) (i) the criteria specified in subsection (1) (b) of
15 Section 131.8 of the Illinois Insurance Code shall not
16 apply and (ii) the Director, in making his determination
17 with respect to the merger, consolidation, or other
18 acquisition of control, need not take into account the
19 effect on competition of the merger, consolidation, or
20 other acquisition of control;

21 (3) the Director shall have the power to require the
22 following information:

23 (A) certification by an independent actuary of the
24 adequacy of the reserves of the Health Maintenance
25 Organization sought to be acquired;

26 (B) pro forma financial statements reflecting the

1 combined balance sheets of the acquiring company and
2 the Health Maintenance Organization sought to be
3 acquired as of the end of the preceding year and as of
4 a date 90 days prior to the acquisition, as well as pro
5 forma financial statements reflecting projected
6 combined operation for a period of 2 years;

7 (C) a pro forma business plan detailing an
8 acquiring party's plans with respect to the operation
9 of the Health Maintenance Organization sought to be
10 acquired for a period of not less than 3 years; and

11 (D) such other information as the Director shall
12 require.

13 (d) The provisions of Article VIII 1/2 of the Illinois
14 Insurance Code and this Section 5-3 shall apply to the sale by
15 any health maintenance organization of greater than 10% of its
16 enrollee population (including without limitation the health
17 maintenance organization's right, title, and interest in and to
18 its health care certificates).

19 (e) In considering any management contract or service
20 agreement subject to Section 141.1 of the Illinois Insurance
21 Code, the Director (i) shall, in addition to the criteria
22 specified in Section 141.2 of the Illinois Insurance Code, take
23 into account the effect of the management contract or service
24 agreement on the continuation of benefits to enrollees and the
25 financial condition of the health maintenance organization to
26 be managed or serviced, and (ii) need not take into account the

1 effect of the management contract or service agreement on
2 competition.

3 (f) Except for small employer groups as defined in the
4 Small Employer Rating, Renewability and Portability Health
5 Insurance Act and except for medicare supplement policies as
6 defined in Section 363 of the Illinois Insurance Code, a Health
7 Maintenance Organization may by contract agree with a group or
8 other enrollment unit to effect refunds or charge additional
9 premiums under the following terms and conditions:

10 (i) the amount of, and other terms and conditions with
11 respect to, the refund or additional premium are set forth
12 in the group or enrollment unit contract agreed in advance
13 of the period for which a refund is to be paid or
14 additional premium is to be charged (which period shall not
15 be less than one year); and

16 (ii) the amount of the refund or additional premium
17 shall not exceed 20% of the Health Maintenance
18 Organization's profitable or unprofitable experience with
19 respect to the group or other enrollment unit for the
20 period (and, for purposes of a refund or additional
21 premium, the profitable or unprofitable experience shall
22 be calculated taking into account a pro rata share of the
23 Health Maintenance Organization's administrative and
24 marketing expenses, but shall not include any refund to be
25 made or additional premium to be paid pursuant to this
26 subsection (f)). The Health Maintenance Organization and

1 the group or enrollment unit may agree that the profitable
2 or unprofitable experience may be calculated taking into
3 account the refund period and the immediately preceding 2
4 plan years.

5 The Health Maintenance Organization shall include a
6 statement in the evidence of coverage issued to each enrollee
7 describing the possibility of a refund or additional premium,
8 and upon request of any group or enrollment unit, provide to
9 the group or enrollment unit a description of the method used
10 to calculate (1) the Health Maintenance Organization's
11 profitable experience with respect to the group or enrollment
12 unit and the resulting refund to the group or enrollment unit
13 or (2) the Health Maintenance Organization's unprofitable
14 experience with respect to the group or enrollment unit and the
15 resulting additional premium to be paid by the group or
16 enrollment unit.

17 In no event shall the Illinois Health Maintenance
18 Organization Guaranty Association be liable to pay any
19 contractual obligation of an insolvent organization to pay any
20 refund authorized under this Section.

21 (g) Rulemaking authority to implement Public Act 95-1045,
22 if any, is conditioned on the rules being adopted in accordance
23 with all provisions of the Illinois Administrative Procedure
24 Act and all rules and procedures of the Joint Committee on
25 Administrative Rules; any purported rule not so adopted, for
26 whatever reason, is unauthorized.

1 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-437,
2 eff. 8-18-11; 97-486, eff. 1-1-12; 97-592, eff. 1-1-12; 97-805,
3 eff. 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14;
4 98-1091, eff. 1-1-15.)

5 Section 35. The Limited Health Service Organization Act is
6 amended by changing Section 4003 as follows:

7 (215 ILCS 130/4003) (from Ch. 73, par. 1504-3)

8 Sec. 4003. Illinois Insurance Code provisions. Limited
9 health service organizations shall be subject to the provisions
10 of Sections 133, 134, 136, 137, 139, 140, 141.1, 141.2, 141.3,
11 143, 143c, 147, 148, 149, 151, 152, 153, 154, 154.5, 154.6,
12 154.7, 154.8, 155.04, 155.37, 355.2, 355.3, 355b, 356v,
13 356z.10, 356z.21, 356z.22, 356z.24, 368a, 401, 401.1, 402, 403,
14 403A, 408, 408.2, 409, 412, 444, and 444.1 and Articles IIA,
15 VIII 1/2, XII, XII 1/2, XIII, XIII 1/2, XXV, and XXVI of the
16 Illinois Insurance Code. For purposes of the Illinois Insurance
17 Code, except for Sections 444 and 444.1 and Articles XIII and
18 XIII 1/2, limited health service organizations in the following
19 categories are deemed to be domestic companies:

20 (1) a corporation under the laws of this State; or

21 (2) a corporation organized under the laws of another
22 state, 30% of more of the enrollees of which are residents
23 of this State, except a corporation subject to
24 substantially the same requirements in its state of

1 organization as is a domestic company under Article VIII
2 1/2 of the Illinois Insurance Code.

3 (Source: P.A. 97-486, eff. 1-1-12; 97-592, 1-1-12; 97-805, eff.
4 1-1-13; 97-813, eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091,
5 eff. 1-1-15.)

6 Section 40. The Voluntary Health Services Plans Act is
7 amended by changing Section 10 as follows:

8 (215 ILCS 165/10) (from Ch. 32, par. 604)

9 Sec. 10. Application of Insurance Code provisions. Health
10 services plan corporations and all persons interested therein
11 or dealing therewith shall be subject to the provisions of
12 Articles IIA and XII 1/2 and Sections 3.1, 133, 136, 139, 140,
13 143, 143c, 149, 155.22a, 155.37, 354, 355.2, 355.3, 355b, 356g,
14 356g.5, 356g.5-1, 356r, 356t, 356u, 356v, 356w, 356x, 356y,
15 356z.1, 356z.2, 356z.4, 356z.5, 356z.6, 356z.8, 356z.9,
16 356z.10, 356z.11, 356z.12, 356z.13, 356z.14, 356z.15, 356z.18,
17 356z.19, 356z.21, 356z.22, 356z.24, 364.01, 367.2, 368a, 401,
18 401.1, 402, 403, 403A, 408, 408.2, and 412, and paragraphs (7)
19 and (15) of Section 367 of the Illinois Insurance Code.

20 Rulemaking authority to implement Public Act 95-1045, if
21 any, is conditioned on the rules being adopted in accordance
22 with all provisions of the Illinois Administrative Procedure
23 Act and all rules and procedures of the Joint Committee on
24 Administrative Rules; any purported rule not so adopted, for

1 whatever reason, is unauthorized.

2 (Source: P.A. 97-282, eff. 8-9-11; 97-343, eff. 1-1-12; 97-486,
3 eff. 1-1-12; 97-592, eff. 1-1-12; 97-805, eff. 1-1-13; 97-813,
4 eff. 7-13-12; 98-189, eff. 1-1-14; 98-1091, eff. 1-1-15.)".